

Work and Retirement Among Israelis Aged 50 and Over

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The article deals with selected aspects of employment and retirement patterns among Israelis aged 50 and over. It analyses the impact of socio-economic characteristics and objective health conditions on the participation in the labor force of the men and women separately. Every person interviewed in the SHARE survey was asked to define subjectively the situation of his labor force participation or economic activity. The findings on the employment and retirement patterns of the population group surveyed provide additional empirical evidence of the steady process of early retirement in Israel, particularly of men. The multi-variable analysis of labor force participation clearly shows that the tendency not to participate in the labor force becomes significant in the two-three years just preceding the official retirement age – presently 58-59 among women and 62-63 among men. The analysis also shows the significant role played by a person's objective health condition in his decision whether or not to participate in the labor force. The estimate of loss in terms of participation rates stemming from poor health amounts to 6.2 percentage points among men and 13.8 percentage points among women aged 50-64. The deterioration in health condition with age (moving from 50-55 to 60-64) accounts for more than a third of the observed decline in men's participation and about 15 percent of the decline in women's participation. The deterioration in the health condition was a substantial factor in the decline in the participation rate of men and women moving from ages 50-55 to ages 56-59; it accounted for about 55 percent of the decline in the participation rate of women and about 60 percent of the decline in the participation rate of men.

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